

Ruby Ranch Collections Process

Updated July 9th, 2018

Date	Task
Dec 1 st	[Bookkeeper] Dues Invoices go out. Due date will be January 1 st Members who have a past due balance should still get a regular invoice showing this year's dues as well as an account statement showing the account history and current total balance.
Jan 1 st	[Bookkeeper] All members who received an email statement and have not yet paid should be mailed a standard paper statement.
February 1 st	[Bookkeeper] 30 day late notice; regular mail + email if we have it Include note that says interest will start accruing on the account and that account will be turned over to collections if not paid promptly.
March 15 th	[Bookkeeper] 60 day late notice – send a §209.0064 letter <u>regular mail</u> . Letter will: Be sent to <u>all addresses</u> . Email as well if known Include the delinquent & total balances of each account Include payment plan option: Terms for payment plan described on Page 2 Describe options to avoid collections – make a full payment, or agree to a payment plan AND make the first payment on the plan. Mention the account has begun to accrue interest Mention that account will be turned over to collections in 30 days and legal fees will apply starting at that time. Apply simple interest to the account at the end of each month, 10% p/a starting Feb 1 st . Interest applies to original dues only, not to interest or legal fees.
April 18 th	[Bookkeeper] Re-send 209 letter as certified mail.
June 1 st	[Treasurer] Review accounts list and follow up to any and all email addresses we have on file.
August 1 st	[Board] Reviews accounts for turn-over to attorney. Accounts with a balance of under \$100 will not be turned over. [Bookkeeper] Turns over approved accounts to attorneys Legal fees will begin to apply to the account
August 10 th	[Lawyer] sends First Demand.
	[Bookkeeper] If at any point payments are made on accounts transitioned to lawyer, notifies lawyer of payments
September 1 st	[Lawyer] sends Notice of Lien and Second Demand
November 1 st	[Lawyer] sends Third and Final Demand
November 15 th	[Lawyer] Refers accounts that are still delinquent back to the board for foreclosure approval [Board] Reviews accounts for potential foreclosure at next meeting

Interest can be forgiven for a partial month when homeowner pays in good faith the last total amount due.

Ruby Ranch HOA – Payment Plan

Ruby Ranch offers payment plans for homeowners behind on annual dues, compliant with Section 209 of the Texas Property Code.

We can offer a payment plan for your total balance due under the following terms:

- Term will be 6 months of equal payments, your total balance will be divided over six months. The balance will include a \$10 payment plan mailing fee per invoice to administer the payment plan. If your account has already been referred to collections, the balance will include any legal fees expected to be charged throughout the duration of the plan.
- You are ineligible for a payment plan for any part of your balance that has been past due for more than 18 months.
- You are ineligible for a payment plan after the board of directors has approved foreclosure on your account.
- When the HOA receives your first payment on the payment plan, we will suspend collections efforts with our attorney, however if any legal fees have already been incurred, they will still apply to your account.
- Interest on your balance still accrues during the payment plan, interest will be projected out six months to determine your monthly payment.
- If a member misses a payment and has not paid within 30 days of the agreed upon payment plan date, you will be considered in default of your payment plan, the payment plan will terminate and collections efforts will be resumed.
- If a member has defaulted on a payment plan, they are not eligible to enter into another payment plan for two years after they defaulted on the first payment plan.
- If you would like to enter into a payment plan, please contact us using the methods described earlier in this letter. We will provide your payment amount, and expect your first payment immediately.

Upon relapse of payment plan: If a member misses a payment and has not paid within 30 days of the agreed upon payment plan date, Bookkeeper notifies lawyer of the account status and legal fees will begin to accrue again.

If a member has defaulted on a payment plan, they are not eligible to enter into another payment plan for two years after they defaulted on the first payment plan.